Amendments to the Claims:

This listing of claims will replace all prior versions, and listings of claims in the application:

Listing of Claims:

Claims 1.-11. (canceled).

Claim 12. (original) A system for paying an invoice submitted by a seller to a buyer, comprising:

an interface configured to allow the buyer to approve payment for the invoice; and

a transaction processing module configured to manage a buyer account for the buyer and a seller account for the seller, the transaction processing module further configured to store a plurality of terms and conditions pre-negotiated amongst the buyer, the seller, an issuer and an acquirer;

wherein the transaction processing module cooperates with the issuer and the acquirer to settle payment of the invoice in accordance with the plurality of terms and conditions.

Claim 13. (original) The system according to claim 12 wherein the interface is further configured to allow the buyer to select one of a plurality of buyer accounts to satisfy payment for the invoice.

Claim 14. (original) The system according to claim 12 wherein the issuer manages the buyer account for the buyer; and

wherein the acquirer manages the seller account for the seller.

Claim 15. (original) The system according to claim 12 wherein the transaction processing module determines one or more fees associated with the invoice based on the plurality of terms and conditions.

Claim 16. (original) The system according to claim 15 wherein the one or more fees include a transaction fee; and

wherein the transaction fee is an amount to be used by the issuer and the acquirer to compensate each other for processing the invoice and settling payment therefor on behalf of the buyer and the seller respectively.

Claim 17. (original) The system according to claim 16 where the transaction processing module calculates a net amount using the transaction fee; and

wherein the net amount is an amount to be received by the seller for the invoice.

Claim 18. (original) The system according to claim 17 wherein the net amount is calculated by subtracting the transaction fee from an invoice amount stated in the invoice.

Claim 19. (original) The system according to claim 12 wherein the transaction processing module cooperates with a data transport and processing network to facilitate communication with the issuer and the acquirer.

Claim 20. (original) The system according to claim 16 wherein respective portions of the transaction fee to be received by the issuer and the acquirer vary depending on arrangement made between the issuer and the acquirer.

Claim 21. (currently amended) A system for paying an invoice submitted by a seller to a buyer, comprising:

a module configured to receive the invoice from the seller, the invoice representing one or more payment transactions;

a module configured to create a payment instruction for a corresponding payment transaction represented by the invoice and schedule payment for the corresponding payment transaction;

a database configured to store a plurality of pre-negotiated terms and conditions amongst the buyer, the seller, an issuer and an acquirer; <u>and</u>

a transaction processing module configured to manage a buyer account for the buyer and a seller account for the seller, the transaction processing module further configured to process the corresponding payment transaction in accordance with the plurality of pre-negotiated terms and conditions when the scheduled payment is due.

Claim 22. (original) The system according to claim 21 further comprising:

a module configured to receive approval of the payment instruction from the buyer.

Claim 23. (original) The system according to claim 21 wherein the transaction processing module determines one or more fees associated with the corresponding payment transaction based on the plurality of pre-negotiated terms and conditions.

Claim 24. (original) The system according to claim 23 wherein the one or more fees include a transaction fee; and

wherein the transaction fee is an amount to be used by the issuer and the acquirer to compensate each other for processing the corresponding payment transaction and settling payment therefor on behalf of the buyer and the seller respectively.

Claim 25. (original) The system according to claim 24 wherein respective portions of the transaction fee to be received by the issuer and the acquirer vary depending on arrangement made between the issuer and the acquirer.

Claims 26.-38. (canceled).

Claim 39. (currently amended) A method for processing invoices submitted by sellers to buyers, comprising:

maintaining buyer accounts and seller accounts for the buyers and the sellers respectively; and

maintaining a plurality of terms and conditions relating to the buyers, the sellers, issuers and acquirers;

with respect to each invoice, performing the following:

identifying the involved buyer, seller, issuer and acquirer;

determining one or more fees based on portions of the plurality of terms and conditions relating to the involved buyer, seller, issuer and acquirer;

calculating a net amount using the transaction fee;

obtaining payment authorization from the involved issuer; and

upon obtaining the payment authorization, settling payment of invoice between the involved issuer and acquirer.

Claim 40. (original) The method of claim 39 wherein for each invoice, the one or more fees include a transaction fee; and wherein the transaction fee is an amount to be used by the involved issuer and acquirer to compensate each other for processing the invoice on behalf of the involved buyer and seller.

Claim 41. (original) The method of claim 40 wherein respective portions of the transaction fee to be received by the issuer and the acquirer vary depending on arrangement made between the issuer and the acquirer.

Claim 42. (original) The method of claim 39 further comprising:

upon settling payment of the invoices, updating the buyer accounts and the seller accounts.

Claim 43. (previously presented) A method of conducting a transaction between a buyer and a seller, the method comprising:

receiving an electronic invoice or an instruction to create the electronic invoice from the seller at a transaction processing system;

transmitting a payment instruction from the transaction processing system to the buyer;

receiving approval from the buyer in response to the sent payment instruction at the transaction processing system;

after receiving the approval from the buyer, sending an authorization request to an issuer;

after sending the authorization request, receiving an authorization response from the issuer at the transaction processing system, wherein funds are thereafter transferred from the issuer to an acquirer using a payment processing network; and

updating a status of the electronic invoice with information regarding whether the invoice has been settled or declined.

Claim 44. (previously presented) The method of claim 43 further comprising, before receiving the electronic invoice or the instruction to create the electronic invoice, receiving a purchase order from the buyer at the transaction processing system.

Claim 45. (previously presented) The method of claim 43 wherein the transaction processing system comprises a payment manager that keeps track of the status of each invoice or payment transaction.

Claim 46. (previously presented) The method of claim 43 wherein the payment instruction includes the invoice.

Claim 47. (previously presented) The method of claim 43 wherein the payment instruction is created based on terms and conditions that were previously negotiated by the buyer and the seller.

Claim 48. (previously presented) The method of claim 43 wherein after receiving approval from the buyer, goods are shipped from the seller to the buyer.

Claim 49. (previously presented) The method of claim 43 wherein the transaction processing system is associated with a credit card association.

Claim 50. (previously presented) The method of claim 43 wherein the payment instruction is sent in accordance with terms or conditions set by the buyer, the seller, or the buyer and the seller.

Claim 51. (previously presented) The method of claim 43 wherein the transaction processing system provides for a variable fee schedule.

Claim 52. (previously presented) The method of claim 43 wherein the transaction processing system provides for a fee, depending on a value of the transaction conducted between the buyer and the seller.

Claim 53. (previously presented) A system for conducting a transaction between a buyer and a seller, the system comprising:

a transaction processing system, wherein the transaction processing system is in communication with a buyer and a seller, and wherein the transaction processing system comprises an invoice preprocessor and a payment manager; and

a payment processing system coupled to the transaction processing system, wherein the payment processing system is in communication with an issuer,

wherein the transaction processing system comprises an issuer pricing engine, wherein the issuer pricing engine is configured to determine a transaction fee associated with an invoice associated with the transaction, the issuer retaining at least a portion of the transaction fee.

Claim 54. (previously presented) The system of claim 53 wherein the payment processing system facilitates interaction between various buyers and sellers.

Claim 55. (previously presented) The system of claim 53 wherein the transaction processing system includes an authorization and settlement interface.

Claim 56. (previously presented) The system of claim 53 wherein the transaction processing system further comprises a database including invoices with terms and conditions.

Claim 57. (previously presented) The system of claim 53 wherein the transaction processing system comprises a database comprising a table including transaction fees that are assessed depending upon terms and conditions in invoices.

Claim 58. (previously presented) The system of claim 53 wherein the transaction processing system comprises a variable pricing matrix, which calculates one or more transaction fees based on a set of pre-negotiated terms and conditions agreed to by at least the issuer and an acquirer associated with the seller.

Claim 59. (previously presented) The system of claim 53 wherein the transaction processing system creates or receives invoices from sellers.

Claim 60. (previously presented) The system of claim 53 wherein the transaction processing system is configured to create a settlement file for the transaction between the buyer and the seller.

Claim 61. (previously presented) The system of claim 53 wherein the transaction processing system is configured to create a settlement file for the transaction between the buyer and the seller and wherein the settlement file includes information regarding the cost of goods sold.

Claim 62. (new) The system of claim 12 wherein the transaction processing module comprises an invoice pre-processor.

Claim 63. (new) The system of claim 62 wherein the transaction processing module comprises a payment manager operatively coupled to the invoice pre-processor.

Claim 64. (new) The system of claim 63 wherein the transaction processing module comprises an issuer pricing engine operatively coupled to the invoice pre-processor.

Claim 65. (new) The system of claim 64 wherein the transaction processing module comprises an authorization and settlement interface operatively coupled to the invoice pre-processor.

Claim 66. (new) The system of claim 64 wherein the transaction processing module comprises a payments results manager operatively coupled to the invoice pre-processor.